

App F IX 4

Previous References

1948
(M.L.)

File No 91-48
Serial Nos 3,4

Later References

GENERAL AND REVENUE SECRETARIAT

Serial Nos Two

p 36⁽¹⁾

Part B for Nov '48

SUBJECT

Misappropriation of Cash and Stock in the
Municipal food grains depō at Birmur

To The D C Chickmagalur Dt

No L 5674/D 25-11-48

Accepts the D C's proposal

To The Comptroller to Govt

" " Presdt, T M.L. Cl, Birmur

~~No L 56~~ Memo No L 5675 & L 5676/D 25-11-

73
2

Pekhan from Mr on K Rudrappa
dated 29-5-46 add id to
Revenue Secretary regarding the
loss of Rs 1400/ in the Municipal
Stores Bidur and Praying for
speedy action in the matter
(Viswakarnataka paper cutting enclosed)

1) ruled if appd, a report will be called for from
the Dy Commr, Madur

KKS
-5/7

2) may be called for
revised - 3/7/46

8/

ruled with a Memo on the Petr calling
for a report from the Dy Commr, Madur

TYING SECTION
9 JULY 1946
ECTY

26/7

4) Issuedance
An
917mb

L 719 & 15-7-46.

7303533/M

Re Misappropriation of cash + stock in the Municipal
Food Depot Bemer

From

The Deputy Commissioner, Chikmagalur Dist
No A2 C 215/46 47 dated 25/12-1947

Furnishes the report called for

5) Suled it is seen from the Audit report that there has been a misappropriation of both cash and stock in the ML Food Depot at Bemer, to the extent of Rs 791-8-11 and stock to the extent of Rs 564-15-0 and the shortages in cash (791-8-11) has to be made good by the following persons -

- | | | |
|---------------------------------|--------------|-----------------------|
| 1) Mr N T Mahyappa, vice-Pdt | Rs 569-15-11 | } already
good for |
| 2. Shanthappa Ramanna | 130-0-0 | |
| 3 " G T Gangadharu Setty, clerk | 41-6-0 | |
| 4 " R S Narayana Murthy, clerk | 50-3-0 | |
| | <hr/> | |
| | 791-8-11 | |

6) It is reported that ~~that~~ ^{the} amounts due from S nos 1 and 2 have been recovered and that the Pdt ML Bd has been requested to recover the amounts due from the ^{two} Sclerits (S nos 3 and 4)

7) As regards the shortage in stock, it is reported that the net profit that accrued from the transactions of the depot (after recovery of the shortages in cash) will be Rs 138-4-7 and that the Pdt Bemer ML Bd

M
has been requested to fix up ~~the~~ ^{individual} responsibility
and to recover the amount due from them

8) The deputy commissioners, black magistrates
list may be requested to submit a further
report in the matter very early

18/2/48 ^{18/1/48}
9) The report is for
personal it discloses a
woeful tale of responsibility
on the part of the Municipal
Councillors who were entrusted
with the management of the depot
in question As for the Tenant,
they are liable for prosecution
see sep 18/2/48

10 It is stated that an
President Town Municipal
Council, Bitter has been
asked to fix up individual
responsibility + to recover
the amounts

11 The W.C. will be asked
to submit a final report

with his opinion in any
action to be taken ^{in respect} ~~of~~

those ~~are~~ that are responsible
for these irregularities
after the amounts are
fully recovered which
should be done with
the least possible avoidable
delay

2270
23/1

Minister

THE MINISTER FOR
LOCAL SELF GOVERNMENT

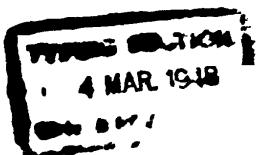
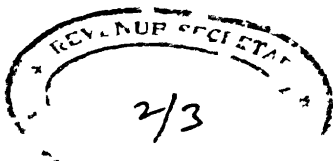
No 1172

Date 25/8

12

yes 22/11/48
27/2/48

26/1/48



13

21/11/48

21/11/48

14

Draft letter to be moved

15

at mee

31/3/48

10

Sus B

12-3-48

To, The Deputy Commr, Chinnagalur

No L14366/S-3-48

Calls for a report

Massachusetts Gen + Arch in the ^{MSB} 533 6872 5
From ^{for} ~~for~~ ^{un} ~~un~~ ^{will} ~~will~~

The Deputy Commissioner
Chickmagalur Dist

Letter no A 3 C 215-PR 24/1946-47
dated 10th May 1948, stating that the
report called for in h no 14366/d5348
has not yet received

has not yet
(6) the deputy commissioner
states that ^{he has addressed} ~~the letter addressed to the~~
the President Jan Municipal Council
Birur calls for the details of
misappropriation ~~is enclosed herewith~~
and that a final report will be
~~and is~~ submitted ~~for~~ ^{to} ~~be~~ ^{the} ~~out.~~ ^{Chairman} ~~therein~~

17) The report promised thereon
will be awarded
for order

for address
19/5/18) The admittance report recd
from the DC Chikkarangalur by
for perusal the receipt of the
report will be awarded
refers 12/5/18
nervous system

OFFICE OF
THE MINISTER FOR
LOCAL SELF GOVERNMENT

2729

A

D e

ESS

Given: 4" (1a)
 L.S. 8 The Day $\frac{8}{23/5}$
 be asked to expedite
 the case $\frac{23}{5}$
 He $\frac{20/5}{25/10}$ $\frac{20/10}{25/10}$

6872 $\sqrt{1804}$ ml

sub with a draft letter for appl

WKS
14/6 P. 14-6-48

21) Issue for
14/6 W

To the Dy Commr, Chikmagalur Dist
No L 17913 of 21-6-48

Sustd
22/6

Request that the final report may
be expedited

From

The D.C. Chikmagalur Dist

No A-3 c 215/46-48 of 29-8-48

Submits his report

22) The subject, in regard to the
persons responsible for the mismanagement
of the Food grains depot ^{at Bannur}, and ~~as to the~~
~~persons that responsible~~ ^{the} proportions
which the total shortages should be
recovered from each of the persons
responsible for, came up before the
M.C. on 28th if the M.C. has resolved ^{glas}
unanimously that Sri K. T. Sahyanarayana
Setty is entirely and personally responsible
for the mismanagement of the affairs of the
Depot in accordance with the resolution

Misappropriation of cash and stock
in the ml bond grains depot at Bim

dated 31-12-46

6872/n1
√ 1806/n1

23) It is reported that as against
the sum of Rs 1867-2-1 to be accounted
for by the committee entrusted with the
management of the depot as trustees
for the ml funds, a sum of Rs 1627-11-5
has so far been credited to the ml funds.
The balance remaining is 237-4-1.
The total amount to be reimbursed,
including the shortage of stock to the
extent of Rs 564-15-10, will come to
Rs. 802-3-11.

24) The management of the depot
was transferred from Sri K T Satyan-
naryanaiah to a committee of five
persons including the Sri N T Maliga-
ppa as its chairman, ~~see~~ as per
resolution dated 31/12/46

25) Sri K T Satyanaryanaiah
is only responsible ^{for the losses} up to the end of
January 1946, and for the shortages
discovered after that period, Sri
N T Maligappa and his colleagues
~~should~~ ^{be} ~~be~~ ^{held} responsible.

Misappropriation of Cash and Stock
in the M.L. food grains depot at Binn

26) The balance γ to be stock
made good is Rs 237-4-1 and γ out 6872/mf
of the total shortage of stock to the extent $\sqrt{1804/mf}$
of Rs 564-15-10, stock of the value of Rs
Rs 270-11-10 was actually found to be
missing at the end of January 1946
and ~~that~~ the balance viz Rs 294-4-0
pertains to the period covered by the
management of the depot by Sri P. S.
N. T. Mahalingappa and his colleagues

27) The president reports that the
members of the above committee are not
directly responsible, as Sri K. T. Subramanyam
Setty was made responsible for the entire
amount of Rs 1500/- placed by the M.L. at
his disposal

28) The C.C. is of the opinion, under
the circumstances mentioned above, that
the responsibility for the entire shortage
may be fixed as follows

Sri K. T. Subramanyam Setty in
respect of the shortage in stock to the
extent of Rs 270-11-10

2 Sri N. T. Mahalingappa in respect of the
shortage in cash to the extent of Rs 237-4-1

the Misappropriation of Cash and
Stock in the M. Bud main depot at
Binn

6872/ml
√ 1804/ml
C
58-13-8

3) S. N. T. Malingappa and his 4 colleagues
in respect of the shortage in stock to the
extent of Rs 294-4-0 which could be
recovered from each of these 5 persons in
equal proportions viz. 58-13-8 each

29) The A.C. requests orders of Govt
purchasing the above, early

30) Submitted for orders

App
4/5 Pr 7/9/48 31) The above report of the
J.C. is for perusal with
reference to the orders at
paras 10, 11, 12 & 19 supra
32) It is for orders if the
Comptroller to Govt was not
asked to offer his remarks also
on the subject

new seq for
33) yes - the Comptroller's remarks
may be obtained as proposed
8/9/48

67

1804/mh

to the Completion to the Goby

Reserve for future remarks on the
B. O.

Subject

$$\frac{SLAC}{14/9}$$

9948 A. ...
In new self type

Returned with Compliments

The report of the certified Auditor discloses that cash to the extent of Rs.1867-2-1 and stock to the extent of Rs.564-15-10 had to be accounted for by the Municipal Depot. In accordance with the report of the President, Birur Municipal Council, a sum of Rs.1629-14-0 only has been remitted to the Treasury on the above account. In the absence of details in the challans credits to the extent of Rs.866-9-2 could only be verified from the Treasury returns received in this office. The verification of the balance or credits cannot be made except during Local Audit which has now been suspended. Assuming the figures furnished by the President to be correct, the balance of cash to be accounted for works out to Rs.237-4-1 and the shortage or stock to Rs.564-15-10. The responsibility for these shortages may be fixed in the proportions recommended by the Deputy Commissioner.

RR)

22/10

Received by me
For Comptroller
(A. G. S. from H. G. S.)

Misappropriation of cash and stock
in the ml food grains depot at Birm

1804/ml

37) Submitted with reference to paras
32 & 33 ~~and 34 & 35~~

Ans 28/10 Pr 23.10.48 38) The suggestion of the
D-C Chikmagalur in regard to the
fixing of the responsibility for the
recovery of the shortages in respect
stock & cash of against the several
persons, as indicated in para 28 (A, B)
supra may be approved, as agreed to
by the Comptroller for order - refer
para 36 supra

Rev Secy for
29/10/48

39) The responsibility may
be fixed as proposed
above

THE DIRECTOR LOCAL FLIGHT DEPT
No 2029
Date 30/10

Enclosed
L. S. & (cc) yrs
a

8
30/10/48
An

2/11/48
4/11/48

Misappropriation of cash and stock
in the oil food grains depot at Binn

Submitted with a draft letter to the
CC chickenpalm, for approval

1806/ml

issue at once

for
19.11.48

Amn
2/11

To

The CC chickenpalm

L 5674-b/ml 91-48-4 of 25-11-48

CC's recommendation accepted

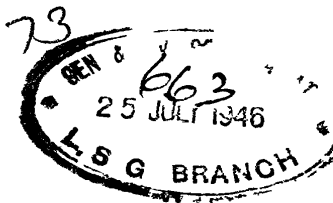
Amn
27/4

A3-C 215-24/46-47

OFFICE OF THE DEPUTY COMMISSIONER,
KADUR DISTRICT

Dated Chikmagalur 17th July 1946.

FROM
G N Nagaraja Rao, Esq, M sc,
Deputy Commissioner,
Kadur District



to
J B Mallaradhya, Esquire, M A,
Secretary to Government,
Revenue Department,
Bangalore.

SIR,

With reference to your Memo No L 719 dated 15-7-46 for forwarding the petition of one Mr M K Rudrappa of Birur complaining about the misappropriation of amount in the Municipal Food Depot at Birur, I have the honour to state that the accounts of the Depot are being audited by a certified auditor and a report will be submitted after the audit is completed

have the honour to be

Sir,

Your most obedient servant,

Deputy Commissioner,
Kadur District.

Subd for perusal
Receipt of a further report
will be awaited

perusal

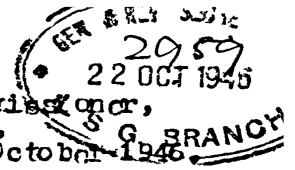
revised

27/7

27/7

663

Office of the Deputy Commissioner,
Kadur District.,
Chikmagalur, dated, 17th October 1946.



No.A3.C.215-24/46-47.

To

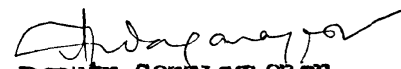
The Secretary to Government of
His Highness the Maharaja of Mysore,
Revenue Department., B a n g a l o r e.

Sir,

Subject. - Regarding the misappropriation of amount
in the Municipal Food Depot at Birur.-

In continuation of this Office letter of even number dated 17th July 1946 on the above subject, I have the honour to state that the audit of the accounts of the above Food Depot has since been completed and the report of the Auditor has been received in this Office. It is seen from the audit report that there has been misappropriation of both cash and stores, cash to the extent of Rs.791-8-11 and stock to the extent of Rs.664-15-0. I have instructed the Food Accountant of my Office to examine the accounts and records of the spot and to submit a detailed note to fix up the responsibilities for the loss. A final report will be made to Government after making needful enquiries in the matter.

I have the honour to be,
sir,
Your most obedient servant,


Deputy Commissioner,
Kadur District.
17 10

Dear Sir,

4/3/47

I am desirous to invite your reference to ^{the} correspondence ending with your letter NO A₃ C 215-24/46-47 dated 17th October 1946, regarding the misappropriation of both cash and stores in the Municipal Food Depot at Binnur, and to request you to expedite ~~your~~ final report promised in your letter under reference

^{kind}
This may be treated as urgent as the question ^{has been} is pending for over nine months. It is brought to despatch without any further delay

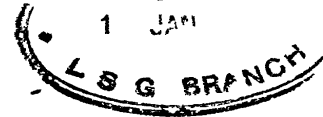
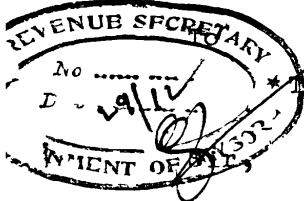
yours sincerely,

The Dy Commr (by name),
Kadur Dist,
Chikmagalur

for
N. S. Jay

Office of the Deputy Commissioner,
Chikmagalur District,
Dated, Chikmagalur, 25th December 1947
3533

No A3 C 215/46-47
(Encl. One Note)



The Secretary to Government of Mysore,
Revenue Department, Bangalore

Subject - Misappropriation of cash and Stock in
Municipal Food Depot, Birur -

With reference to your letter No L 12107 dated 4-3-1947 and subsequent reminder letter No 11389 dated 29-11-1947 on the above subject, I have the honour to state that, as already intimated, the District Food Accountant of this office, was sent to examine the accounts and to submit a report to fix up responsibility for the losses. The District Food Accountant examined the accounts on 29-10-1946 and again on 16-1-1947, explained the entire subject to the Town Municipal Council, Birur, at its Special Meeting. It is found that the shortage in cash (Rs 791-8-11) has to be made good by the following persons:

1	Mr N T Maliyappa, Vice-President	Rs 569-15-11	✓
2	" Shanbhogue Ramanna	" 130- 0- 0	
3	" C T Gangadhara Setty, Clerk	" 41- 6- 0	
4	" R S Narayanamurthy, Clerk	" 50- 3- 0	
Total -		791- 8-11	

It is since reported by the President Town Municipal Council ~~xxx~~ Birur that the amounts due from Sl Nos 1 and 2 have been recovered and credited to Municipal Funds. The President has been requested on 25-11-1947 to arrange to recover the amounts due from the two clerks (Sl Nos 3 and 4).

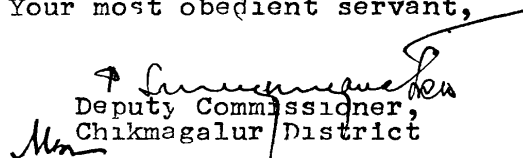
As regards the shortage in stock to the extent of Rs 564-15-0, the Municipal Council have passed a resolution on 16-1-1947, that a recommendation may be made to Government for waiving these shortages. But, it is seen from the Audit Report that the net profit that has accrued from the transactions of the Depot (after recovery of the shortages in cash) will be Rs 138-4-7. This loss has to be made good by the Municipal Councillors who were responsible for it. The President Town

The President Town Municipal Council Birur has been asked to fix up individual responsibility and to recover the amount from them

The Municipal Council had advanced Rs 1500/- from the Municipal Funds to the Depot to begin with This advance is reported to have been completely adjusted

A copy of the detailed Note submitted by the District Food Accountant on 29th October 1947 is enclosed for reference

I have the honour to be,
Sir,
Your most obedient servant,


Deputy Commissioner,
Chikmagalur District

Copy of
 Note Drawn up by the District Food Accountant of the
 District Office, Chikmagalur, after looking into the
 Files and Records of the Municipal Depot at Birur - on
 28-10-46 -----

The Audit Report of the certified auditor discloses the following two important points -

- I Shortage of cash to the extent of Rs 791-8-11
- II Shortage of stock to the extent of Rs 564-15-10

These shortages have to be made good by the person or persons on whom the responsibility could be fixed

The Depot started working on 30-12-1945 with an advance of Rs 1500/- from the Municipal Funds given to the President on his sole responsibility. This responsibility was shifted to a Committee of six members at the meeting on 31-1-1946

In accordance with the above resolutions, the President is to be held responsible personally for the shortages during the period of one month from 30-12-1945 to 31-1-1946. The audit report does not mention any shortage of cash during this period. But there is a heavy shortage in stock as noted below

	P S S		
Thick Pice	4-27½		
Wheat	0-94		
Ragi	1-51		Total Cost
Jola	4-72½		
Save	2-60½		Rs 270-11-10
Kerosene Oil	0-10½ Bottles		
Myda Flour	10½ Lbs		
	M V S		
Sugar	3-2-4		

From the daily sales register maintained it is seen that the sales were being managed under the direct supervision of a few councillors who were also ~~selected~~ selected to form into an Advisory Committee to assist the President. The President has only been the custodian of cash during this period and has left the sales depot to the management of his colleagues. The shortages to the extent of Rs 270-11-10 have to be made good by the Councillors who have supervised and managed the retail sales.

From records and the information gathered, it is learnt that the Vice-President Mr Chantayya and Mr Subba Rao attended to the sales in the Depot. How far and in what proportion, they

ha

they have to be made liable is a matter to be decided, necessary, after making local enquiry from these members themselves

Next the period from beginning of February 1946 to the date of closing of the Depot -

During the period there has been shortage of cash to the extent of Rs 791-8-11 and stock to the extent of Rs 294-4-0

The certified auditor has made the following persons responsible for the shortage in cash -

	Rs
Mr N T Mallappa- Vice-President	569-15-11*
Mr Shanbooue Ramanna	130- 0- 0
Mr C T Gangadhara Setty, Clerk	41- 6- 0
Mr R S Narayana Murthy, Clerk	50- 3- 0
Total	<u>791- 8-11</u>

*Includes the sum of Rs 60/- taken from the President in January ~~XXXX~~ 1946

From local enquiries, discussion with the Vice-President and detailed examination of records, it is found that after Mr K T Satyanarayana Setty left Birur on account of sickness in January 1946, the system of regularly handing over the cash to the President was discontinued. There are certain remarks in the sales books to show that the Vice-President has been taking charge of the cash off and on. The Vice-president has been exercising supervision over the working of the stores as evidenced from his initials in the sales books on various dates even from January 1946. He also checked the cash on certain dates. The depot clerk has remarked in the sales registers that a major portion of the cash has been handed over to the Vice-president. The vice-president who was asked about this says that these remarks have all been made lately by the clerk as these books were in his custody and that he has received cash only as entered in his own pocket note book. Whatever this may be, the vice-president, who was exercising check and supervision, is expected to take-charge of the cash from the clerk. From some entries in the Sales registers, it is seen that the cash of the Stores is left in the hands of persons un-connected with the Municipality or the working of the Stores. The vice-

The Vice-president himself has analysed the cash balance on 6-3-46 and noted the following details -

Rs
1298-14-0 With different persons including Ps 495-6-0 with the Vice-president
20- 1-3 With the Sales Clerk
273- 0-0 Cash sales on 6-3-46 with Depot Clerk
25- 0-0 Mr ~~A~~ Padhya

As the management of the Stores and the Control over the staff has all been taken over by the Vice-president, it was his duty as a responsible representative of the Municipal Council to take charge of all the cash also. If he has not done it as stated by him, he has failed in his duty and has to ~~share~~^{be} the entire shortage unless he can fix up some responsibility on any others.

The accounts of the Municipal Depot for January 1946 and February 1946 have been placed before the Municipal Council at their meeting on 25-3-46. The President is not present at this meeting. The council have resolved that the accounts are read and recorded.

The closing cash balance at the end of each month was more than Rs 1500/-, and none of the councillors, even the Food Committee members have tried to know where such heavy balance of cash is kept.

Again at two other meetings on 29-4-46, 2-5-46 and 29-5-46, the accounts for March 1946 and April 1946 have been recorded.

At their meeting on 2-5-46, the Municipal Council formed a Sub Committee consisting of Messrs Mahadevappa, Kallappa Setta, R Subba Rao, and Shantayya to investigate and submit a detailed report regarding the depot accounts in ten days. No report was sent by them.

In the monthly account for March 1946 scrutinized by Mr P Subba Rao on 5-4-46 and sent to the Vice-president it is remarked

remarked that for the balance of cash as shown in the accounts vouchers should be obtained from the different persons, who have custody of cash and attached ^{to} ~~for~~ the monthly accounts. No notice seems to have been taken of this important observation to fix up the responsibility for the cash balance of Rs 1502-14-

While discussing the various points with the Vice-president I told him that for the shortage of cash he will have to be responsible as no other councillor has been allowed to take charge of same and it will be his duty to recover from any other if he has allowed cash to remain with unauthorizedly

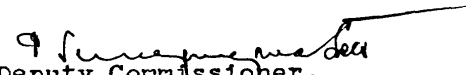
The Municipal Council have made the food Committee entirely responsible for the management of the Food Depot and it is duty of the Food Committee to fix up responsibilities among themselves and refund the advance of Rs 1500/- together with the profits earned in the business. Suggestions based on facts as to how the shortages have to be made good have been noted above for consideration.

General -

After the management was left in the hands of the Vice-president and the other councillors from about the 7th February 1946, it is seen from the accounts and the piecemeal purchases made of the quotas from the Government Depot, that the sales realizations were not kept in tack and made readily available for purchases in a lot at a time as before. Instances are seen when purchases are made in instalments three to four times a day on certain days. This leads to the presumption that the sales realizations are allowed to remain with different people who are not capable of producing it in time when there is need. I have noticed some remarks made in the Sales Register that some amounts have been borrowed from some for purchases and returned the same after sales of Food Grains. Such instances only show that the Management did not take any care to centralize the responsibility for cash but have allowed it to be used for other purposes.

In the

In the monthly accounts for January 1946 and February 1946, presented to the Council, heavy closing cash balance is exhibited. The Councillor who has verified and certified the account, has remarked that proper safe-guards have to be taken with regard to the heavy shortage of stock and the heavy cash balance shown in the accounts. Though it had been also resolved at the Council meeting that the stock should be periodically verified no councillor has taken any pains to safe-guard the interest of the Municipal Funds. There is a specific and clear resolution by the Municipal Council on 31-1-1946, that the advance of Rs 1500/- given to the President should be with-drawn and treated thereafter as part of Municipal Administration and the cash accounts pertaining to that branch should be furnished at each Council Meeting. To ensure close scrutiny and efficient control, a Sub Committee consisting of 6 members, was formed. In spite of all this, no proper responsibility appears to have been taken or no member ~~xxxxx~~ tried to bring to the notice of the Council about any serious defects though some councillors have regularly attended the sales every day. All this neglect on the part of the councillors only makes them more liable for the loss of Municipal Funds as indicated in the audited report.


Deputy Commissioner,
Chikmagalur District

I MB/2



No A3 C 215-P R 21

1948-47

ml 6872
13-5-48

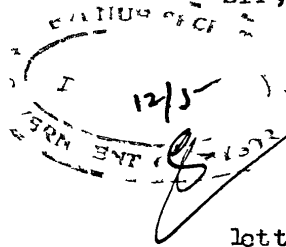
Office of the Deputy Commissioner, Chickmagalur Dt
Dated Chickmagalur, the 10th May 1948

To

6/3

The Secretary to Government,
Revenue Department, Bangalore

Sir,



Sub. Misappropriation of cash and stock in the
foodgrains stores of the Birur Municipality

With reference to correspondence ensuing with your
letter No L 14366 dated 5-3-48 re the above, I have the honour
to enclose herewith a copy of letter of even number dated ^{7th} 10th
May 1948 addressed to the President of the Birur Municipal
Council, requesting him to obtain and forward the council reso-
lution in the matter of making good the balance of cash (Rs 277-2-
and the value of the shortage in stock (Rs 564-15-10)

I shall submit a final report to Government soon
after receipt of a reply from the President
a

I have the honour to be,
Sir,
Your most obedient servant

Mr. Gamaudaya
Deputy Commissioner,
Chickmagalur District

No 23 C 215-P R 24

Office of the Deputy Commissioner, Chickmagalur Dt
Dated Chickmagalur, the 10th May 1948

To

The President,
Town Municipal Council, Birur

Sir,

Sub Misappropriation of cash and stock in the
Municipal Food Depot at Birur

In forwarding herewith a copy of letter No L 14366 dated 5-3-48 from the Secretary to Government, Revenue Department re the above, I have the honour to inform you that analysing the figures in the balance ^{sheet} and taking into account the subsequent debits and credits the present financial position of the Municipality in relation to the working of the Stores Depot is as follows on the assets side

Rs	
1,500-	0- 0 + Capital to be returned to the Municipality
140-	0- 0 + Audit fees and T A paid
138-	4- 7 + Net profit from the operations to be credited to Municipal funds
54-	4- 0 + Establishment charges due and not paid
6-	1- 6 + Cart hire payable
28-	8- 0 + Cost of account books to be paid

1,867-	2- 1

The Committee entrusted with the management of the Depot has to render accounts for Rs 1867-2-1 as trustees for the Municipal funds

As against the above items, there are the following items left uncollected. These may now be collected to recoup to some extent the loss due to the mismanagement of the Depot

1	Cart hire due from Government	40-	0-	0
2	Cost of wheat due from Amildar, Kodur	16-	0-	0
3	Amount payable by Gangadhariah and R S Narasimharaothy	23-	14-	0

		79-	14-	0

The first two items may be collected by a reference to the Amildar Kodur with necessary documents. The third item may be collected from the two persons who were the Municipal employees. Out of Rs 1867-2-1 to be accounted for under cash, a sum of Rs 1590/-

R. 1590 - has been credited to Treasury so far. The balance of cash to be still made good is Rs 277-2-1. If the sum of Rs 79-14-0 referred to above is collected and credited to Municipal funds, the balance still to be made good will be Rs 197-4-1. Besides the above shortage in the cash account, there is disclosed a shortage of stock to the extent of Rs 564-15-10 which the Municipal Council have urged for waiving in its resolution dated 16-1-47. The grounds on which it is urged is not convincing and is not acceptable as all the stocks were not purchased in one lump and such huge shortages are out of proportion to the stock balances from time to time ~~xx~~ Such heavy shortages rarely occur except due to practice of fraud in the working of the depot.

The shortage in cash and in stock to be made good thus amounts to Rs 277-2-1 and Rs 564-15-10 (in all Rs 842-1-11) respectively. As the Management has failed to discharge the trust and as a consequence the Municipality has sustained a loss to the extent noted above. You are requested to place the matter before the Council and obtain its resolution as to the persons who are responsible for mismanagement and as to the proportion in which the total shortage is to be recovered from each with details of individuals and amounts.

According to the balance sheet the value of the following items of closing stock is Rs 24-6-0.

1	Gunnies	7- 8- 0
2	Tins	14- 0- 0
3	Lock	2-14- 0
		24- 6- 0

But in the report made in his No H C 21/47-48 dated 3-11-47 it is stated that a sum of Rs 46/- was realized from sale of gunnies on 4-10-46 and credited to the Treasury. It may be explained if the realization of Rs 46/- relates to the item "Gunnies" valued at Rs 7-8-0 in the balance sheet. The manner of disposal of tins and locks may also be investigated.

As a report is due to Government in the matter, I request

- 2 -

request you to treat the matter as very urgent and forward
your reply in the matter very early

"Copy"

As per attached
Deputy Commissioner,
Chickmagalur District
K M R

L 17913 16

216 6e

To Mr Dy Commr,

Chukmagalur Dt,

Sir,

With reference to the Correspondence
ending with your letter NO A3 C 215-PR 24/
46-47, & 10. 5-48, in regard to the
misappropriation of Cash & Stock in
the food grains stores of the Pourn
Town mldg, I am directed to request
that the ^{final} report promised in the
last Para of your letter under reply
may be expedited

I have etc

Yours

for secy to Govt

~~14-11-48~~ ^{11/6} Rev Defolt

L 17913

28 June, 48

The

Revenue Department.

to

The Deputy Commissioner,
Chickmagalur District.

Sir,

With reference to the correspondence ending with your letter No.A3.C.215-P.R.24/46-47 dated 10th May 1948, in regard to the misappropriation of cash and stock in the food grains stores of the Birur town Municipality, I am directed to request that the submission of the final report promised in the last para of your letter under reply may be expedited.

I have the honour to be,
Sir,
Your most obedient servant,

Amamban
for Secretary to Government,
Revenue Department.

Tvr.

mh 91-478-3

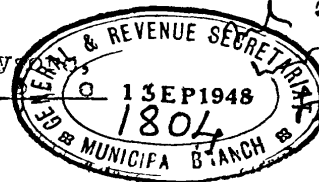
18

No A3 G 215/46-47.
(Enclos one file
of records with
audit report).

Office of the Deputy Commissioner,
Chikmagalur District,
Dated, Chikmagalur, 29th August 1948

To

The Secretary to Government of Mysore,
Revenue Department, Bangalore



Sir,

Re - The Misappropriation of cash and stock in the
Municipal Food Grains Depot at Birur -

Adverting to the correspondence ending with your letter
No L 17913 dated 21st June 1948 on the above subject, I have the
honour to state as follows

1 The President, Town Municipal Council, Birur, was requested
in my letter of even number dated 10-5-1948, copy of which was
forwarded for the kind information of Government with my letter
dated 11th May 1948, to place the matter before the Municipal
Council and to obtain the well considered views of the Council
in regard to the persons responsible for the mismanagement of the
Food Depot and as to the proportions in which the total shortages
should be recovered from each of the persons responsible for it.
The subject having been brought for discussion, the Municipal
Council have unanimously resolved on 25-5-1948 that Sri K T
Sativanarayana Setty is entirely and personally responsible for
the mismanagement of the affairs of the Depot in accordance with
the resolution dated 31-12-1945 of the Council. It is reported by
the President that, as against the sum of Rs 1867-2-1 to be
accounted for by the Committee constituted with the management of
the Depot as Trustees for the Municipal Funds, a sum of Rs 1629-14-
so far been credited to the Municipal Funds leaving a balance of
Rs.237-4-1 to be still reimbursed. Including the shortage of
stock to the extent of Rs 564-15-10, the total amount to be made
good is Rs 802-3-11.

2 It is seen from the records that Sri K T Sativanarayana Setty
was divested of his responsibility in respect of the management of
the Depot, consequent on the transfer of management of the Depot

to the special Committee consisting of the Marginally noted Municipal

Sativanarayana, Sri D V Halappa,
Santappa, 4 " D C Siddappa
Sativanarayana Setty.

Municipal Councillors with Sri
N T Mahavappa, Vice-President

and

4 cons
Receipts
Sent by Registered
Post

No L 5674 / 11/4/87
To Mr. 91-48-4
The 2nd With Records Chickmagalur Dist

Subj: Misappropriation of cash
and stock in the ml food
grain depot at Birur

Sir,

With reference to the correspondence ending with your letter No A3 c 215 / 46-47 dated 29-8-88 on the above subject, I am directed to convey the approval of Govt to the ~~suggestions~~ ^{proposal} made by you in regard to the fixing of the responsibility for the recovery of the shortages the Municipal & respect of stock and cash in the ml food grain depot at Birur against the several persons ^{as} noted below:-

1. S. K. T. Satyanarayanaiah in respect of the shortage in stock

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE

No 5674/mul 91-48-4

General and Revenue Secretariat,

Dated Bangalore, 25/11/1948

FROM

*The Secretary to the Government of
His Highness the Maharaja of Mysore*

Revenue Department

To

The Deputy Commissioner,
Chickmagalur District

SIR,

**SUBJECT: Misappropriation of cash and stock in the Municipal
Food Grain Depot at Birur.**

With reference to the correspondence ending with your letter No. A3.C.215/45-47 dated 29th August 1948 on the above subject, I am directed to convey the approval of Government to the proposal made by you in regard to the fixing of the responsibility for and the recovery of the shortages in respect of stock and cash in the Municipal Food Grain Depot at Birur against the several persons as noted below

1. Sri. T. Setyarrayana Setty in respect of the shortage in stock to the extent of Rs. 270-11-10.

2. Sri. N. T. Valiyappa in respect of the shortage of cash to the extent of Rs. 237-4-1 and

3. Sri. N. T. Malinappa and his four colleagues in respect of the shortage in stock to the extent of Rs. 294-4-0 which may be recovered from each of these five persons in equal proportions viz., Rs. 58-13-8 each.

Necessary surcharge orders may be passed under section 187(2) of the Mysore Town Municipalities Act 1933 and the total amount of Rs. 802-3-4 recovered in the proportions mentioned above and got credited to the funds of the Birur Town Municipality. The action taken and the result thereof may be reported to Government in due course.

Records accompany.

Yours faithfully,

Sd/- Syed Abdul Aleem,

Secretary to Government,
Revenue Department.

Memo No.

Copy of the above is forwarded, with compliments, to the

(1) The Comptroller to Government (2) The President, 'Birur Town
Municipal Council, for information

By Order,

A handwritten signature in cursive script, appearing to read 'Jumachant', written in dark ink.

For Secretary to Government
and Revenue Department.

Notes ————— 12 Pages

Correspondence — 24 Pages